

City of Sacramento

Legislation Text

File #: 2019-01222, **Version:** 1

Title:

Supplemental Agreement: Destination Sacramento Program

File ID: 2019-01222

Location: District 4, Old Sacramento Waterfront

Recommendation:

Pass a Motion authorizing the City Manager or the City Manager's designee to execute Supplemental Agreement No. 1 to Agreement No. 2019-0830 with Stantec Architecture, Inc. for Feasibility Phase 1B of the Destination Sacramento Program, in the amount of \$250,480 for a new total not-to-exceed amount of \$339,480.

Contact: Ellen Sullivan, Project Manager, (916) 808-5758; Richard Rich, Riverfront Project Manager, (916) 808-2519, Office of Innovation and Economic Development

Presenter: None

Attachments:

1-Description/Analysis

2-Supplemental Agreement

Description/Analysis

Issue Detail: In December 2016, the Mayor and City Manager requested a plan to identify targets of opportunity to enhance the riverfront as a destination that would be a strategic asset for convention, visitor, business, and workforce attraction efforts by the City and other organizations (Destination Sacramento).

On June 27, 2017, staff presented a plan to redevelop the Old Sacramento Waterfront (OSW) focusing on an initial phase of catalytic projects on city-owned riverfront properties. On January 23, 2018 City Council approved \$150,000 (Resolution No. 2018-0039) to proceed on three of the initial projects:

1. The formation of a joint operating partnership between the City, State Parks and private landowners to explore the formation of a single entity to operate the OSW district;
2. Prepare a concept design for a new activity zone in Waterfront Park; and
3. Prepare a concept design to rehabilitate the city's largely vacant North Public Market building.

In October 2018, staff designed and implemented the Waterfront Idea Makers Program (WIM) to leverage the concept design funding and expand the range of available concepts. Staff issued a Request for Qualifications (Q190211081001) and twelve teams submitted qualifications. Staff selected five teams to produce design concepts and also invited the public and children to submit ideas.

On April 30, 2019, after reviewing the concepts produced as part of WIM, City Council approved up to \$47.0 million (Resolution No. 2019-0138) and directed Staff to proceed with a the Feasibility Phase for the Destination Sacramento Program, starting with the waterfront and a report back in the Fall of 2019. Three projects were approved to move forward into the Feasibility Phase: Front Street Experience, Sacramento History Museum Viewing Deck, and a multi-use barge.

On July 1, 2019, the City entered into a professional services agreement (Agreement 2019-0830) with Stantec Architecture, Inc., one of the five Waterfront Idea Makers for the design and program management of Phase 1A of the Destination Sacramento waterfront projects. Phase 1A will be completed on August 31, 2019. Staff is recommending approval of a supplemental agreement with Stantec for Phase 1B, which continues their feasibility evaluation and completes the Feasibility work.

All projects identified as a result of the Feasibility Phase will be presented to Council in the Fall of 2019 for approval of estimated costs and content.

Policy Considerations: Implementation of this program will further the visions, goals, and objectives of the 2035 General Plan, the 2003 Sacramento Riverfront Master Plan as approved by the cities of Sacramento and West Sacramento and the Sacramento riverfront priorities set out by the Mayor and City Council. Further, the Destination Sacramento Program will support city investments in the Golden 1 Center and Convention Center Complex by creating a related and supporting asset that will aid the economic development efforts of the city and other civic organizations.

Economic Impacts: A renewed Sacramento waterfront destination can have a significant, beneficial impact on Sacramento's ability to 1) capture increased sales and transit occupancy tax revenues from new waterfront business, 2) encourage visitors' choice of Sacramento as a leisure and convention destination, and 3) market the region to new business relocations, and workforce attraction and retention. The City will conduct a Return on Investment analysis for each of the

projects contemplated as part of the Destination Sacramento program.

Environmental Considerations: The recommendation in this report is not a project under the California Environmental Quality Act (CEQA) because it involves continuing administrative activities, as contemplated by Section 15378(b)(2) of the CEQA Guidelines (Cal. Code Regs., tit. 14, §15000 et seq.), and is, therefore, not subject to CEQA pursuant to Section 15060(c)(3) of the CEQA Guidelines.

Sustainability: None

Commission/Committee Action: None

Rationale for Recommendation: On October 9, 2018, a Request for Qualifications (Q19021081001) was advertised and issued on PlanetBids for Waterfront Idea Makers. By the due date of November 7, 2018, twelve proposals were received from the following firms: Phil America/Thomas Sayre, Phil America, Perkins Eastman, The Hettema Group, Atlas, The Urban Arena, LPA, Glabe & Taylor, RSM Design, Gates & Associates, Stantec, and Ascent/Jacobs. The proposals were reviewed by the evaluation team consisting of staff from the City, State Parks, DSP, Visit Sacramento, and an Old Sacramento Waterfront Business Owner. Seven firms (Ascent/Jacobs, Atlas Labs, The Hettema Group, LPA, Stantec, RSM, and Perkins Eastman) were invited to interview before the evaluation team. Based on scoring, the evaluation team selected The Hettema Group, Atlas Labs, Stantec, Perkins Eastman, and LPA to be the five Waterfront Idea Makers firms.

As a result of WIM, staff selected Stantec to continue their work on the Destination Sacramento Program. To ensure the best project results for Destination Sacramento, Stantec is collaborating with The Hettema Group, Atlas Labs, WET Design, and Craig Hausmann.

The current professional services agreement with Stantec consists of four phases: Phase 1 - Feasibility (1A - Preliminary Feasibility and 1B - Feasibility Evaluation), Phase 2 - Planning Phase, Phase 3 - Implementation, and Phase 4 Closing Phase. To date, Stantec has only been authorized to proceed with Phase 1A. Stantec may only proceed with future phases if authorized by the City.

As Phase 1A - Preliminary Feasibility will conclude at the end of August 2019, staff is now recommending approval of a supplemental agreement to authorize Stantec to proceed with Phase 1B - Feasibility Evaluation.

Financial Considerations: Feasibility Phase 1A will be completed at a cost of \$89,000. The remaining feasibility work, Phase 1B, will cost \$250,480, resulting in a total Feasibility Phase cost of \$339,480. The amount for the Feasibility Phase is commensurate with a project of this size and complexity. There are sufficient resources in the Destination Sacramento Multi-Year Operating Project (I02185000) to fund the supplemental agreement.

Local Business Enterprise (LBE): Stantec is a local business with established operations in Sacramento.